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September 29, 2004

Sent via e-mail, fax and/or U.S. Mail

Mary L. Cottrell, Secretary
Massachusetts Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

Re: *New England Gas Company Forecast and Supply Plan*, D.T.E. 04-6

Dear Secretary Cottrell:

On December 30, 2003, New England Gas Company ("Company") filed a petition pursuant to G.L. c. 164, § 69I, with the Department of Telecommunications and Energy ("Department") for approval of its Forecast and Supply Plan ("Supply Plan") for the Fall River and North Attleboro Service Areas for the forecast period 2003/2004 through 2007/2008. The Department docketed the matter as D.T.E. 04-6.

Pursuant to its Order of Notice, the Department held a public hearing on March 10, 2004 and an evidentiary hearing on September 8, 2004. At the evidentiary hearing, the Department established a procedural schedule requiring parties to file simultaneous Initial Briefs by September 29, 2004.¹ The Attorney General submits this letter as his Initial Brief in this proceeding.²

¹ The Attorney General objects to the issuance of a procedural schedule requiring simultaneous briefs because it creates an undue burden on the timely ability of the Attorney General to respond on behalf of ratepayers to the Company's arguments.

² These comments are not intended to address every position the Company may take during these proceedings. Rather, they are intended to address a single issue raised by the Company, the consolidation
(continued...)

In this proceeding, the Company indicated that it will request Department approval to consolidate the Cost of Gas Adjustments (“CGA”) for Fall River Gas Company and North Attleboro Gas Company in the future when it fully integrates its gas supply management and dispatch activities. Exh. NEG-1 at 2. In addition, the Company, in response to several information requests, claims that customers will derive benefits from this consolidation. Exh. AG 1-4, Exh. AG 2-1, and Exh. DTE 2-3.

Customers must in fact benefit from such consolidations. Therefore, the Department should order the Company to quantify all such consumer savings when it files its consolidation petition. In addition, the Department should require the Company to file testimony in that future proceeding that explains all analyses and assumptions underlying its estimated customer benefits. *See* Attorney General Comments, DTE 04-62.

Respectfully submitted,

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cc: Jody M. Stiefel, Hearing Officer
Service List

²(...continued)

of Fall River and North Attleboro's CGAs. Therefore, silence by the Attorney General in regard to any particular argument, assertion of fact, or statement of position of the Company should not be interpreted, construed, or treated as assent, acquiescence or agreement with such argument, assertion or position.